

APPENDIX 1-B

TITLE INSURANCE POLICY

Total First American
of California
First American
(Amended to)
Standard

OWNER'S
POLICY

FIRST AMERICAN TITLE INSURANCE

MADE EFFECTIVE BY THE STATE OF

SOUTHERN EASTERN UTAH TITLE COMPANY



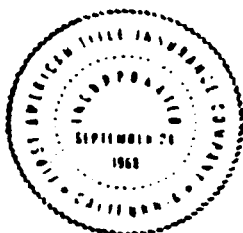
• 100% INSURANCE POLICY • PRICE, UTAH 84501
(801) 637-1245

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS CONTAINED IN SCHEDULE B AND THE PROVISIONS OF THE CONDITIONS AND STIPULATIONS HEREOF, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the amount of insurance stated in Schedule A, and costs, attorneys' fees and expenses which the Company may become obligated to pay hereunder, sustained or incurred by the insured by reason of

1. title to the estate or interest described in Schedule A being vested otherwise than as stated therein;
2. any defect in or lien or encumbrance on such title;
3. lack of right of access to and from the land; or
4. unmarketability of such title.

IN WITNESS WHEREOF, First American Title Insurance Company has caused this policy to be signed and sealed by its duly authorized officers, as of Date of Policy shown in Schedule A.

First American Title Insurance Company



BY

[Signature]

PRESIDENT

ATTENT

[Signature]

SECRETARY

COUNTERSIGNED

[Signature]

ASSISTANT SECRETARY

SCHEDULE A

Total Fee for Title Search, Examination
and Title Insurance ~~XXXXXX~~

Order No. 3598-E

Amount of Insurance: ~~XXXXXX~~

Policy No. 10,000-1

Date of Policy: September 25, 1950 at 1:10 p.m.

1. Name of Insured:

C.O.P. COAL DEVELOPMENT COMPANY,
a Utah corporation.

2. The estate or interest referred to herein is at Date of Policy vested in:

C.O.P. COAL DEVELOPMENT COMPANY,
a Utah corporation.

3. The estate or interest in the land described in Schedule C and which is covered by this policy is:

SEE SCHEDULE

SCHEDULE C

The land referred to in this policy is situated in the County of Emery, State of Utah, and is described as follows:

T16S, R7E, SLB1

Section 26: E½NW¼ and all that part of SE¼NE¼ and the SE¼ lying West of a Northeast-Southwest fault line.

EXCEPTING THEREFROM all coal.

14: S½

22: E½NE¼, NW¼NE¼, NE¼SE¼

23: All

24: NW¼NW¼ and all that part of the SW¼NW¼ and the W¼SW¼ lying West of a Northeast-Southwest fault line.

25: All that part of the NW¼NW¼ lying West of a Northeast-Southwest fault line.

26: W½NE¼, NW¼NW¼, and all that part of the NE¼NE¼ lying West of a Northeast-Southwest fault line.

* * *

AGREEMENT

This agreement made and entered into this 3rd day of August 1983, by and between Emery County, a body corporate and politic (County), and Co-Op Mining Company, a Utah general partnership (Co-Op),

WHEREAS, there is an existing road in Emery County known as Bear Creek Road, and

WHEREAS, Co-Op requires extensive use of said road, and

WHEREAS, due to said extensive use, said road should be relocated for the health, safety and welfare of the citizens of County as well as others who may have occasion to use said road,

NOW, THEREFORE, be it agreed as follows:

1. The parties hereto agree and acknowledge that the southern 0.65 miles of the road known as Bear Creek Road is a County road. Said County road runs from State Road 31 in a northerly direction for approximately 0.65 miles to a presently existing gate. Thereafter the road is a private road.

2. That Co-Op will relocate the Bear Creek Road according to the plans and specifications prepared by the Emery County Engineer and described on the document entitled Bear Canyon County Road Relocation dated October 12, 1982.

3. Co-Op will relocate the Road according to the plans and specifications referred to above at their expense. Co-Op will reimburse County for engineering costs incurred by County concerning the preparation of said plans and specifications and site inspections up to One Thousand (\$1,000.00) Dollars.

4. Co-Op will indemnify and defend County for any damage caused, or loss incurred to or claim made by any public or private individual, firm, group, association, partnership or corporation as a result of the construction conducted to relocate Bear Creek Road. Said indemnification will continue until such time as County approves the completed roadway and accepts the construction thereof.

5. Co-Op acknowledges and accepts the easements of North Emery Water Users and Huntington City which exist in, along and across the relocate Bear Creek Road. Said easements are in existence on the ground. Co-Op's acknowledgment thereof herein recognizes and preserves said easements.

6. Co-Op agrees to encase water lines of North Emery Water Users and Huntington City in nestable corrugated pipe pursuant to plans and specifications prepared by the Emery County Engineer.

7. Co-Op agrees to allow access to other property served by the relocated Bear Creek Road. Said access shall be allowed to the owner of the property, their successor in interest or any other individual, firm, group, association, partnership or corporation who requires access due to their association with the owner or because the owner has granted permission to the individual, firm, group, association, partnership or corporation to go upon his property. Co-Op will not withhold access due to the type of activity which the then owner or his agents, employees or invitees intend or in fact conduct.

8. Co-Op will provide a completion and performance bond to Emery County upon the execution hereof in the amount of Twenty-Five Thousand (\$25,000.00) Dollars which will remain in force and effect for twelve (12) months after the date said road is accepted by County as indicated in paragraph 4 above.

9. Co-Op will provide liability insurance in an amount not less than Five Hundred Thousand (\$500,000.00) Dollars to be in force during the construction of said road. Said policy will name County as an insured.

10. Co-Op agrees to complete said road in a timely manner not to exceed eighteen (18) months from the date of this agreement. County may make demand upon the bonding company under the bond provided pursuant to paragraph 8 above and secure completion of the relocation in the event construction is not completed within the agreed upon eighteen (18) months.

11. It is further understood that any additional improvements of the relocated Bear Creek Road will be at the expense of all primary users.

12. The Co-Op agrees to reclaim that portion of the old Bear Creek Road according to the specifications and requirements of the Bureau of Land Manager (BLM).

13. That the Co-Op agrees to provide Emery County with the necessary easement agreements with the Utah Department of Transportation.

14. Co-Op acknowledges and agrees to comply with standard number 6.3.8 "Protection Zone" of the Utah State Health Drinking Water Standards as it applies to supplies of drinking water in Bear Canyon.

15. County agrees to inspect the relocated Bear Creek Road within ten (10) days after notification by Co-Op of the completion thereof. County must within five (5) working days of said inspection accept the road or notify Co-Op of any deficiencies which must be then corrected by Co-Op within the time period outlined in paragraph 10 above. Should County fail to notify Co-Op of any deficiencies within five (5) working days, the road is deemed accepted by County and the twelve (12) month period indicated in paragraph 8 above begins to run from the sixth (6th) day after inspection.

IN WITNESS WHEREOF, this agreement is executed the day and year above first written, at Castle Dale, Utah, pursuant to a resolution of the Emery County Board of Commissioners at a regularly scheduled meeting of the Board.

EMERY COUNTY, a body politic and corporate,

ATTEST

Dawn A. Smith
County Clerk

By *Rice P. Ware*
Chairman of the Emery County
Board of Commissioners

IN WITNESS WHEREOF this agreement is executed at Huntington, Utah.

DATED this *3rd* day of *August*, 1983.

CO-OP MINING COMPANY, a Utah general partnership

By *B. W. Stoddard*
a General Partner

CORPORATION SPECIAL WARRANTY DEED

THIS CORPORATION SPECIAL WARRANTY DEED, made this fourth day of August, 1980, by PEARODY COAL COMPANY ("Grantor"), a Delaware corporation at 301 North Memorial Drive, P.O. Box 235, St. Louis, Missouri 63166, to C.O.P. COAL DEVELOPMENT COMPANY ("Grantee"), a Utah corporation at 3753 South State Street, Salt Lake City, Utah 84115.

Grantor, for and in consideration of the sum of \$10.00 and other valuable consideration in hand paid by Grantee, receipt whereof is hereby acknowledged, conveys and, as hereinafter provided, warrants to the Grantee, and to its successors, heirs, and assigns, forever, all of that real estate ("Property"), situated in Emery County, Utah, described in Appendix D-1 affixed hereto and hereby made a part hereof.

Together with all the hereditaments and appurtenances thereunto belonging, and with all the estate, right, title, interest, claim or demand whatsoever, of the Grantor, either in law or equity of, in and to the Property.

TO HAVE AND TO HOLD the Property unto the Grantee, his heirs, successors and assigns forever; provided, however, that this conveyance is made and accepted upon the following covenants, which shall be binding upon and enforceable against Grantee and his heirs, successors and assigns and shall be deemed covenants running with the land:

- (a) Grantee knows and understands that the Property may include mined-out areas with rough, unnatural and unstable surfaces, loose rocks and shale, open pits and shafts, slurry ponds, haulage roads, areas which have been used for blasting, subsidence areas and areas which have been used for operation of heavy equipment;
- (b) Grantee assumes all risks and responsibility for any injuries or damages sustained by any person or to any property, in whole or in part, resulting from, arising out of, or in any way connected with, the possession or use of the Property by Grantee, and Grantee agrees to indemnify and hold harmless Grantor, its agents, employees or representatives, from any and all claims, demands, actions, or suits of any kind or nature whatsoever for such injuries and damages, and any expenses connected therewith;
- (c) Grantor does not warrant or represent subjacent or lateral support of the surface and subsurfaces of the Property;
- (d) Grantor does not warrant or represent that the Property is safe, habitable, or otherwise suitable for the purposes for which it is intended to be used by Grantee or for any other purpose whatsoever. Grantee represents that he has inspected the Property and agrees to accept the same "as is".

The Grantor, for itself and for its successors, does represent, warrant, promise, and agree to and with the Grantee, its heirs, successors and assigns, that Grantor has not done, or suffered to be done, anything whereby Grantor's estate in said Property hereby granted is, or has been, in any manner encumbered or charged, except as herein recited; and that Grantor will warrant and forever defend Grantor's estate in Property against all

persons lawfully claiming, or to claim the same, by, through, or under Grantor.

The conveyance is subject to all rights-of-way, easements, leases, deed and plat restrictions, partitions, severances, encumbrances, licenses, reservations and exceptions which are of record as of the date first above written, and to all rights of persons in possession, and to physical conditions, encroachments, and possessory rights which would be evident from an inspection of the Property, and to taxes and assessments not delinquent; and to all reservations and exceptions (if any) stated in Appendix D-1.

IN WITNESS WHEREOF, said Grantor has caused its corporate seal to be hereto affixed, and has caused its name to be signed to these presents by its Vice President of Resource Management, and attested by its Assistant Secretary, the day and year first above written.

ATTEST:

PEABODY COAL COMPANY

Title: J. M. Tonhill

By James F. Hobbs
Title:

STATE OF MISSOURI)
COUNTY OF ST. LOUIS) ss.

On the 14 day of August, 1980, personally appeared before me JAMES F. HOBBS, who being by me duly sworn, did say that he is the Vice President, Resource Management of Peabody Coal Company, and that the attached instrument was signed in behalf of said corporation by authority of a resolution of the Board of Directors and said JAMES F. HOBBS acknowledged to me that said corporation executed the same.

Given under my hand and notarial seal this 4th day of August, 1980.

Marian E. Weir
Notary Public
MARIAN E. WEIR

My Commission Expires:

May 27, 1982

THIS INSTRUMENT PREPARED BY:
James C. Sevens, Attorney
301 North Memorial Drive
St. Louis, Missouri 63102

PROPERTY

SURFACE LANDS

Township 16 South, Range 7 East, SLM(Utah)

Section 26: E 1/2 NW 1/4; all that part of SE 1/4 NE 1/4 and SE 1/4 lying West of a Northeast-Southwest fault line.

COAL LANDS

Township 16 South, Range 7 East, SLM(Utah)

Section 14: S 1/2

Section 22: E 1/2 NE 1/4, NW 1/4 SE 1/4, NE 1/4 SE 1/4

Section 23: All

Section 24: NW 1/4 NW 1/4, all that part of the SW 1/4 NW 1/4 lying West of a Northeast-Southwest fault line, all that part of the W 1/2 SW 1/4 lying West of a Northeast-Southwest fault line.

Section 25: All that part of the NW 1/4 NW 1/4 lying West of a Northeast-Southwest fault line.

Section 26: All that part of the NE 1/4 NE 1/4 lying West of a Northeast-Southwest fault line, W 1/2 NE 1/4, NW 1/4 NW 1/4

UTAH
OF ENERGY
RECORDED
12 02 PM '88
COPIED

PARTIAL ASSIGNMENT OF FEDERAL COAL LEASE UTAH 024318

THIS ASSIGNMENT, made this 1st day of April, 1980, by PEABODY COAL COMPANY ("Assignor"), a Delaware Corporation at 301 North Memorial Drive, P.O. Box 235, St. Louis, Missouri 63166, to C.O.P. COAL DEVELOPMENT COMPANY ("Assignee"), a Utah corporation at 3753 South State Street, Salt Lake City, Utah 84115.

Assignor, for and in consideration of the sum of \$10.00 and other valuable consideration in hand paid by the Assignee, the receipt and sufficiency of which are hereby acknowledged, does ASSIGN, TRANSFER, CONVEY, AND, AS HEREINAFTER STATED, WARRANT unto Assignee, and to its successors, heirs, and assigns forever, all Assignor's right, title and interest in and to Assignor's leasehold estate, and all property rights of Assignor held in connection therewith, in that certain Coal Lease from the United States of America (Appendix E-2-1 attached), which bears serial number Utah 024318, but only insofar as said estate and rights relate to that certain real estate ("Federal Property"), which is described in Appendix E-2-2 affixed hereto and made a part hereof.

Assignee accepts the foregoing assignment and does hereby assume and agree to pay and discharge, or cause to be paid and discharged, all obligations and liabilities of Assignor under said Coal Lease from and after the date hereof, but only insofar as such obligations and liabilities relate to the said Federal Property.

The Assignor, for itself and for its successors, does represent, warrant, promise and agree to and with the Assignee, its successors, heirs and assigns, that Assignor has not done, or suffered to be done, anything whereby Assignor's estate in said Federal Property hereby granted is, or has been, in any manner encumbered or charged, except as herein recited; and that Assignor will warrant and forever defend Assignor's estate in said Property against all persons lawfully claiming, or to claim the same, by, through, or under Assignor.

The assignment is subject to grazing rights and to those rights-of-way, easements, leases, deed and plat restrictions, partitions, severances, encumbrances, licenses, reservations, and exceptions which are of record on this assignment date, and to all rights of persons in possession, and to physical conditions, encroachments and possessory rights which would be evident from an inspection of the Federal Property.

The Assignee agrees to reassign the said partial Federal Lease to Assignor, with special warranties of title, in the event the transactions contemplated by the Contract for the Sale of Real Estate dated April 1, 1980, between the parties are not closed by the Closing Date contained in said Contract.

IN WITNESS WHEREOF, said Assignor has caused its corporate seal to be hereto affixed, and has caused its name to be signed to these presents by its Vice President of Resource Management and attested by its Assistant Secretary, the day and year first above written.

ATTEST:

PEABODY COAL COMPANY

[Signature]
Title: Assistant Secretary

By [Signature]
Title: Vice President
Resource Management

ACCEPTED BY C.O.P. COAL
DEVELOPMENT COMPANY

By [Signature]
Title: Vice President

STATE OF Missouri)
) ss.
COUNTY OF St. Louis)

On the 1st day of April, 1980, personally appeared before me JAMES F. HOBBS, who being by me duly sworn, did say that he is the Vice President, Resource Management of Peabody Coal Company, and that the attached instrument was signed in behalf of said corporation by authority of a resolution of the Board of Directors and said JAMES F. HOBBS acknowledged to me that said corporation executed the same.

Given under my hand and notarial seal this 1st day of April, 1980.

[Signature]
Notary Public

My Commission Expires:

June 7, 1983

STATE OF Missouri)
) ss.
COUNTY OF St. Louis)

On the 1st day of April, 1980, personally appeared before me [Signature], who being by me duly sworn, did say that he is the [Signature] of C.O.P. Coal Development Company and that the attached instrument was signed in behalf of said corporation by authority of a resolution of the Board of Directors and said [Signature] acknowledged to me that said corporation executed the same.

Given under my hand and notarial seal this 1st day of April, 1980.

[Signature]
Notary Public

My Commission Expires:

July 1, 1984

Assignment Approved Effective:

THE UNITED STATES OF AMERICA

THIS INSTRUMENT PREPARED BY:
J. C. Sevens, Attorney
301 North Memorial Drive
St. Louis, Missouri 63102

By [Signature]
Chief Adjudication Branch
Bureau of Land Management

FEDERAL PROPERTY

255-018 Township 16 South, Range 7 East, SLM (Utah)
Section 26: E 1/2 NW 1/4

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PARTIAL ASSIGNMENT OF FEDERAL COAL LEASE UTAH 024316

THIS ASSIGNMENT, made this 1st day of April, 1980, by PEABODY COMPANY ("Assignor"), a Delaware Corporation at 301 North Memorial Drive, P.O. Box 235, St. Louis, Missouri 63166, to C.O.P. COAL DEVELOPMENT COMPANY ("Assignee"), a Utah corporation at 3753 South State Street, Salt Lake City, Utah 84115.

Assignor, for and in consideration of the sum of \$10.00 and other valuable consideration in hand paid by the Assignee, the receipt and sufficiency of which are hereby acknowledged, does ASSIGN, TRANSFER, CONVEY, AND, AS HEREINAFTER STATED, WARRANT unto Assignee, and to its successors, heirs, and assigns forever, all Assignor's right, title and interest in and to Assignor's leasehold estate, and all property rights of Assignor held in connection therewith, in that certain Coal Lease from the United States of America (Appendix E-1-1 attached), which bears serial number Utah 024316, but only insofar as said estate and rights relate to that certain real estate ("Federal Property"), which is described in Appendix E-1-2 affixed hereto and made a part hereof.

Assignee accepts the foregoing assignment and does hereby assume and agree to pay and discharge, or cause to be paid and discharged, all obligations and liabilities of Assignor under said Coal Lease from and after the date hereof, but only insofar as such obligations and liabilities relate to the said Federal Property.

The Assignor, for itself and for its successors, does represent, warrant, promise and agree to and with the Assignee, its successors, heirs and assigns, that Assignor has not done, or suffered to be done, anything whereby Assignor's estate in said Federal Property hereby granted is, or has been, in any manner encumbered or charged, except as herein recited; and that Assignor will warrant and forever defend Assignor's estate in said Property against all persons lawfully claiming, or to claim the same, by, through, or under Assignor.

The assignment is subject to grazing rights and to those rights-of-way, easements, leases, deed and plat restrictions, partitions, severances, encumbrances, licenses, reservations, and exceptions which are of record on this assignment date, and to all rights of persons in possession, and to physical conditions, encroachments and possessory rights which would be evident from an inspection of the Federal Property.

The Assignee agrees to reassign the said partial Federal Lease to Assignor, with special warranties of title, in the event the transactions contemplated by the Contract for the Sale of Real Estate dated April 1, 1980, between the parties are not closed by the Closing Date contained in said Contract.

IN WITNESS WHEREOF, said Assignor has caused its corporate seal to be hereto affixed, and has caused its name to be signed to these presents by its Vice President of Resource Management and attested by its Assistant Secretary, the day and year first above written.

ATTEST:

PEABODY COAL COMPANY

Richard A. [Signature]
Title: Assistant Secretary

By James F. Hobbs
Title: Vice President
Resource Management

ACCEPTED BY C.O.P. COAL
DEVELOPMENT COMPANY

By Joseph C. Kingston
Title: Vice President

STATE OF Missouri)
) ss.
COUNTY OF St. Louis)

On the 1st day of April, 1980, personally appeared before me JAMES F. HOBBS, who being by me duly sworn, did say that he is the Vice President, Resource Management of Peabody Coal Company, and that the attached instrument was signed in behalf of said corporation by authority of a resolution of the Board of Directors and said JAMES F. HOBBS acknowledged to me that said corporation executed the same.

Given under my hand and notarial seal this 1st day of April, 1980.

James C. Severn
Notary Public

My Commission Expires:
June 7, 1983

STATE OF Utah)
) ss.
COUNTY OF Salt Lake)

On the 1st day of April, 1980, personally appeared before me Joseph C. Kingston who being by me duly sworn, did say that he is the Vice President of C.O.P. Coal Development Company and that the attached instrument was signed in behalf of said corporation by authority of a resolution of the Board of Directors and said Joseph C. Kingston acknowledged to me that said corporation executed the same.

Given under my hand and notarial seal this 1st day of April, 1980.

Joseph C. Kingston
Notary Public

My Commission Expires:
July 1, 1983

Assignment Approved Effective:

THE UNITED STATES OF AMERICA

THIS INSTRUMENT PREPARED BY:
J. C. Severn, Attorney
301 North Memorial Drive
St. Louis, Missouri 63102

By Chief Adjudication Branch
Bureau of Land Management

FEDERAL PROPERTY

255-016 Township 16 South, Range 7 East, BLM (Utah)
Section 13: W 1/2 W 1/2
Section 14: E 1/2 NW 1/4, NE 1/4
Containing 400 acres, more or less.

PERMIT

10844

District No. 4 Date October 1, 1982 Application of Co-op Mining Company
By Gene Owen Title Manager
Address Box 1245, Huntington, Utah Phone 746-5-38 in Garfield County
is hereby granted, subject to the Regulations for the Control and Protection of State Highway Rights-
of-Way, Standard Specifications for Road and Bridge Construction, Specifications for Excavation on
State Highways, General Safety Orders of the Industrial Commission, Safety Manual for Road and
Bridge Construction, Instructions to Flagmen, the approved plans, and any special limitations set
forth herein, permission for the purpose of excavate to construct an approach 30' wide for a
coal haul road.

within right-of-way limits of Highway No. 31, State Maintenance Section No. 08-31-01
Milepost No. 32, in the following location:
about 12 miles northwest of the jct. of SR-10 & SR-31 on the west side
of the highway.

Receipt of \$5.00 permit fee is hereby acknowledged (delete where not applicable). The work permit-
ted herewith shall commence October 2, 1982 and shall diligently be prosecuted to completion. The
work shall be completed and all disturbed surfaces or objects restored on or before October 30,
1982. In the event work is commenced under this permit, the applicant agrees to prosecute the same
to completion by the date herein above specified. In the event the applicant fails or refuses to complete
the work the Utah Department of Transportation may, at its election, fill in or otherwise correct any
existing impediments at the expense of and subject to immediate payment by the applicant.

Applicant shall execute a bond in the minimum amount of \$1000, increased by multiples thereof as
determined by the District Director, to insure faithful performance of the permittee's obligation.
The bond shall remain in force for three years after completion of the work.

Before work permitted herewith is commenced, the applicant shall notify: John Cox at Huntington
807-9969 and commencement of said work is understood to indicate that the applicant
will comply with all instructions and regulations of the Utah Department of Transportation with respect
to performance of said work, and that he will properly safeguard said work to prevent accident and
shall indemnify and hold harmless the Utah Department of Transportation from all damages arising
out of any and all operations performed under this Permit.

Permittee shall not perform any work on State highway right-of-way beyond those areas or operations
stipulated on the permit.

If applicant fails to comply with Utah Department of Transportation regulations, specifications, or
instructions pertinent to this permit, the District Director or his duly authorized representative
may by verbal order suspend the work until the violation is corrected. If the applicant fails or refuses
to comply promptly, the District Director or his authorized representative may issue a written order
stopping all or any part of the work. When satisfactory corrective action is taken, an order permitting
resumption of work may be issued.

Special Limitations: Per agreement with the B.L.N. & attached map.

(Signature of Applicant)

Approved by: [Signature]

District Director



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
San Rafael Resource Area
P. O. Drawer AB
Price, Utah 84501

IN REPLY
REFER TO:

9230
UT-060-6434
UT-060-6438
(U-067)

SEP 19 1983

Mr. Wendell Owen
CO-OP Mining Company
P. O. Box 1245
Huntington, Utah 84528

Dear Mr. Owen:

Right-of-way U-52411 was issued to Emery County on September 15, 1983, for the Bear Canyon Road. A copy of the agreement between your company and the County has been received. We are therefore closing Trespasses UT-060-6434 and UT-060-6438.

Sincerely yours,

Samuel R. Ramsey
Area Manager

cc: Joe Helfrich, Utah Div. of Oil, Gas and Mining
4241 State Office Building, SLC, UT 84114

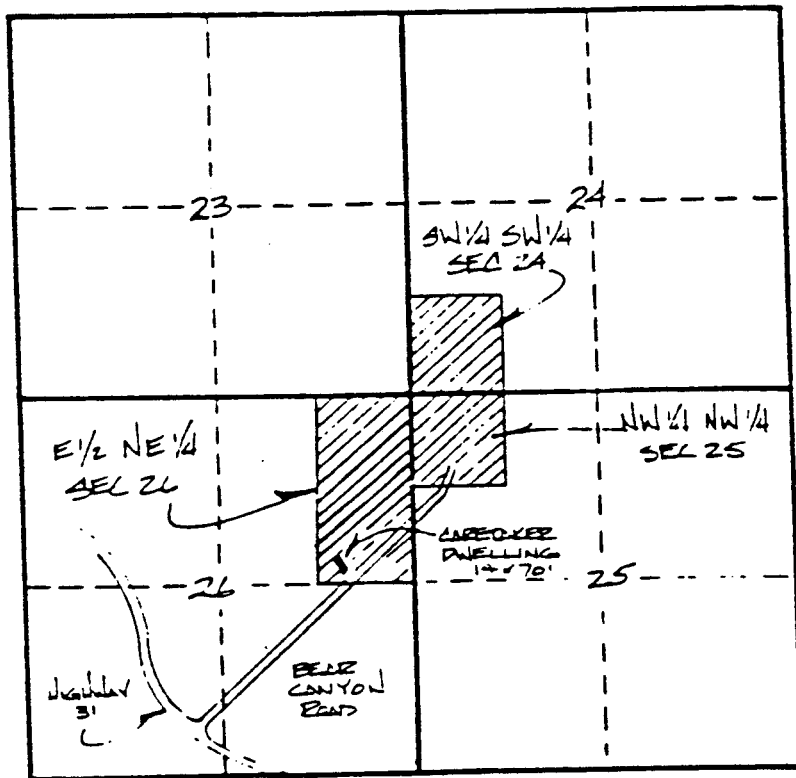
PROPERTY DESCRIPTION

THE SW¹/₄ OF THE SW¹/₄, SECTION 24,
T 16 S., R 7 E., S1B & M

THE NW¹/₄ OF THE NW¹/₄, SECTION 25,
T 16 S., R 7 E., S1B & M

THE EAST 1/2 OF THE NE¹/₄, SECTION 26,
T 16 S., R 7 E., S1B & M

CONTAINING 160 ACRES. TOTAL



T 16 S., R 7 E., S1B & M

KEY MAP

C.O.P. COAL DEVELOPMENT COMPANY
53 West Angelo Avenue
Salt Lake City, Utah 84115

January 21, 2001

State of Utah
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Gentlemen:

Please be advised that C.O.P. Coal Development Company is the record owner of the fee ground and Federal Coal lease #'s 020668, 024316, 024318, 38727, 46484, and 61049, located in Bear Canyon, Emery County, Utah, which includes all of the real property involved in Permit No. Act/015/025. C.O.P. is currently leasing all of the property to Co-op Mining Company and the lease permits Co-op to use the land for coal mining and related activities. This lease agreement will automatically be extended without amendment unless either party gives 30 days written notice of cancellation.

Very truly yours,



Joseph O. Kingston, President
C.O.P. Coal Development Company

JOK/lm

Bureau of Land Management
Utah State Office
P. O. Box 45155
Salt Lake City, Utah 84145-0155

3453
U-020668
U-38727
U-942

JAN 13 1992

DECISION

C.O.P. Coal Development Company :
53 West Angelo Avenue : Coal Leases
Salt Lake City, Utah 84115 : U-020668 and U-38727

Assignments Approved

On May 17, 1991, assignments of coal leases U-020668 and U-38727 entered into on May 2, 1991, between C.O.P. Coal Development Company, as assignee, and Nevada Electric Investment Company, as assignor, were filed in this office.

Satisfactory evidence of the qualifications and holdings of C.O.P. Coal Development Company has been filed. The lease accounts are presumed to be in good standing inasmuch as neither of the leases appear on the Mineral Management Service (MMS) list of leases with unpaid assessments. The assignee, C.O.P. Coal Development Company, has agreed by letter dated September 18, 1991, to be liable for any delinquent rent/royalty payments discovered through an MMS audit. Therefore, the assignments appear to meet the requirements of the regulations and are hereby approved effective February 1, 1992. Approval of these assignments does not constitute approval of any of the terms therein which may be in violation of the lease terms.

Cash lease bonds in the amount of \$5,000 each were filed and accepted on January 10, 1992, with an effective date of February 1, 1992.

Chief, Minerals
Adjudication Section

Enclosure
Assignment

cc: Nevada Electric Investment Company
2835 S. Jones, Suite 5
Las Vegas, Nevada 89102

bcc: Dr. Dianne Nielson
Division of Oil, Gas, and Mining

MMS, AFS, Denver, CO w/encl.
Moab District Office
Price Coal Office
U-921